

Message Text

UNCLASSIFIED

PAGE 01 GENEVA 04311 131621Z

53

ACTION EB-11

INFO OCT-01 IO-13 ADP-00 AF-10 ARA-16 EA-11 EUR-25 NEA-10

RSC-01 OMB-01 TAR-02 AGR-20 AID-20 CIAE-00 COME-00

INR-10 LAB-06 NSAE-00 OIC-04 SIL-01 STR-08 TRSE-00

CIEP-02 CEA-02 DODE-00 FRB-02 H-03 INT-08 L-03 NSC-10

PA-03 SS-15 USIA-15 PRS-01 RSR-01 /235 W

----- 073863

R 131535Z AUG 73

FM USMISSION GENEVA

TO SECSTATE WASHDC 1143

UNCLAS GENEVA 4311

E.O. 11652: N/A

TAGS: ETRD, UNCTAD

SUBJ: UNCTAD: COMMITTEE ON MANUFACTURES, SIXTH SESSION

REF: GENEVA 4278

FOLLOWING IS TEXT OF DRAFT RESOLUTION ON ADJUSTMENT
ASSISTANCE MEASURES SUBMITTED BY PAKISTAN ON BEHALF OF
GROUP OF 77 AND ISSUED AS DOCUMENT NO. TD/B/C.2/(VI)/SC/L.3
AND BEING CONSIDERED IN CONTACT GROUP TOGETHER WITH REFTEL.

QUOTE

RECALLING THAT THE INTERNATIONAL DEVELOPMENT STRATEGY
FOR THE SECOND UNITED NATIONS DEVELOPMENT DECADE PROVIDES
IN PARA 35 THAT "DEVELOPED COUNTRIES, HAVING IN MIND
THE IMPORTANCE OF FACILITATING THE EXPANSION OF THEIR
IMPORTS FROM DEVELOPING COUNTRIES, WILL CONSIDER ADOPTING
MEASURES AND WHERE POSSIBLE EVOLVING A PROGRAMME EARLY
IN THE DECADE FOR ASSISTING THE ADAPTATION AND ADJUST-
MENT OF INDUSTRIES AND WORKERS IN SITUATIONS WHERE THEY
ARE ADVERSELY AFFECTED OR MAY BE THREATENED TO BE ADVERSELY
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 GENEVA 04311 131621Z

AFFECTED BY INCREASED IMPORTS OF MANUFACTURES AND SEMI-

MANUFACTURES FROM DEVELOPING COUNTRIES,"

RECALLING ALSO CONFERENCE RES. 72 (III) WHICH RECOGNIZES THE IMPORTANT ROLE ADJUSTMENT ASSISTANCE POLICIES OR PROGRAMMES CAN PLAY IN FACILITATING THE TRANSFER OF DOMESTIC FACTORS OF PRODUCTION IN DEVELOPED COUNTRIES SERIOUSLY AFFECTED BY ECONOMIC CHANGES, INCLUDING COMPETING IMPORTS FROM DEVELOPING COUNTRIES INTO OTHERS AND TO THE EXTENT POSSIBLE MORE EFFICIENT, SECTORS OF INDUSTRIES, THUS REDUCING IN APPROPRIATE CASES THE NEED FOR TARIFF AND NON-TARIFF PROTECTION; THAT APPROPRIATE AND, IF FEASIBLE, LONG TERM POLICIES OR PROGRAMMES OF ADJUSTMENT ASSISTANCE IN THE DEVELOPED COUNTRIES DESIGNED TO ASSIST INDUSTRIES AND WORKERS MAY BE NECESSARY IN ORDER TO PROMOTE A MORE RATIONAL ALLOCATION OF RESOURCES AND THEREBY CONTRIBUTE TO THE EXPANSION OF EXPORTS OF MANUFACTURES AND SEMI-MANUFACTURES OF DEVELOPING COUNTRIES; THAT THE DEVELOPED COUNTRIES WERE REQUESTED TO ADOPT WHERE APPROPRIATE SUITABLE ADJUSTMENT ASSISTANCE POLICIES OR PROGRAMMES WITH A VIEW TO ACHIEVING A BETTER ALLOCATION OF RESOURCES, PARTICULARLY TAKING INTO CONSIDERATION TRADE LIBERALIZATION MEASURES FOR THE EXPANSION OF EXPORTS OF MANUFACTURES AND SEMI-MANUFACTURES OF DEVELOPING COUNTRIES,

CONSIDERING THAT THE APPLICATION OF THE PRINCIPLE THAT DOMESTIC STRUCTURAL ADJUSTMENT IN THE DEVELOPED COUNTRIES SHOULD FACILITATE INCREASED IMPORTS IN CASES WHERE THESE IMPORTS WERE BASED UPON CHANGES IN INTERNATIONAL COMPETITIVE ADVANTAGE AND THEREBY PROMOTE IMPROVED PRODUCTIVITY, LOWER CONSUMER PRICES AND MORE RAPID ECONOMIC GROWTH IN THESE COUNTRIES AND AT THE SAME TIME YIELD SIMILAR BENEFITS FOR THE DEVELOPING COUNTRIES BY ALLOWING THEM TO REALIZE THEIR FULL EXPORT POTENTIAL.

1. RECOMMENDS INTER ALIA THAT THE FOLLOWING GUIDELINES SHOULD BE CONSIDERED IN THE STRUCTURAL ADJUSTMENT POLICIES OF THE DEVELOPED COUNTRIES, PARTICULAR ATTENTION BEING GIVEN TO THE NEED TO FACILITATE INCREASED IMPORTS BY THESE COUNTRIES OF MANUFACTURES AND SEMI-MANUFACTURES, PROCESSED AND SEMI-PROCESSED AGRICULTURAL PRODUCTS FROM UNCLASSIFIED

UNCLASSIFIED

PAGE 03 GENEVA 04311 131621Z

THE DEVELOPING COUNTRIES:

(I) ADJUSTMENT ASSISTANCE SHOULD BE PREFERRED TO THE CONTINUANCE AND IMPOSITION OF NEW MEASURES DESIGNED AT PROTECTING DOMESTIC RESOURCES FROM THE DISLOCATION ARISING FROM INCREASED IMPORT COMPETITION, AND SHOULD BRING ABOUT RAPID REALLOCATION OF AFFECTED RESOURCES TO NEW, NON-COMPETITIVE PRODUCTS RATHER THAN

RE-EQUIPPING AND MODERNIZATION OF EXISTING PRODUCTION FACILITIES, AND THIS ADJUSTMENT PROGRAMME AND ITS PROGRESS SHOULD BE THE SUBJECT OF CONSULTATIONS WITH THE COUNTRIES WHOSE TRADE IS RESTRICTED AND OF INTERNATIONAL REVIEW UNDER MULTILATERAL PROCEDURES;

(II) ADJUSTMENT ASSISTANCE MEASURES DESIGNED TO FACILITATE LIBERALIZED TRADE SHOULD BE FORMULATED WITHIN THE FRAMEWORK OF LONG-TERM POLICIES AIMED AT CO-ORDINATING VARIOUS STRUCTURAL ADJUSTMENT PROGRAMMES AND AT ANTICIPATING MAJOR STRUCTURAL PROBLEMS AND NEW OPPORTUNITIES FOR ECONOMIC GROWTH;

(III) ADJUSTMENT ASSISTANCE MEASURES TO FACILITATE THE FURTHER LIBERALIZATION AND EXPANSION OF INTERNATIONAL TRADE SHOULD BE DEFINED IN A MANNER WHICH ENCOURAGE THE REALLOCATION OF AFFECTED FACTORS OF PRODUCTION INTO NEW, MORE EFFICIENT ACTIVITIES NOT DIRECTLY COMPETITIVE WITH IMPORTS WHICH GIVE RISE TO THE NEED FOR ADJUSTMENT AND THE ELABORATION OF MORE ADEQUATE ADJUSTMENT ASSISTANCE PROGRAMMES SHOULD TAKE INTO ACCOUNT THOSE ACTIVITIES IN THE DEVELOPED COUNTRIES WHICH ARE MOST AFFECTED OR POTENTIALLY AFFECTED BY INCREASED IMPORTS FROM DEVELOPING COUNTRIES;

(IV) ENTERPRISES IN DEVELOPED COUNTRIES SHOULD BE ENCOURAGED INTER ALIA TO SHIFT MANUFACTURES OF CERTAIN PRODUCTS TO THE DEVELOPING COUNTRIES AND/OR TO SUB-CONTRACT TO MANUFACTURERS IN THE DEVELOPING COUNTRIES THE PRODUCTION OF THOSE MANUFACTURED COMPONENTS IN WHICH THE DEVELOPING COUNTRIES MAY HAVE COMPETITIVE ADVANTAGE;

(V) THE CRITERIA FOR ELIGIBILITY FOR ASSISTANCE SHOULD
UNCLASSIFIED

UNCLASSIFIED

PAGE 04 GENEVA 04311 131621Z

BE EXPLICIT AND CLEAR AND CHANGING INTERPRETATIONS OF SUCH CRITERIA SHOULD BE AVOIDED TO MINIMIZE UNCERTAINTY OF THE PART OF PETITIONERS;

(VI) THE VARIOUS IMPORT-RELATED ADJUSTMENT ASSISTANCE PROGRAMMES SHOULD CONTAIN SPECIFIC PROVISIONS ENABLING GROUPS OF FIRMS OR WORKERS TO PETITION FOR ASSISTANCE ON THE BASIS EITHER OF ALLEGED ACTUAL INJURY OF "THREATENED" INJURY ATTRIBUTABLE TO INCREASED IMPORT COMPETITION;

2. INVITES THE SYG OF UNCTAD TO TRANSMIT THIS RESOLUTION AND RELEVANT UNCTAD DOCUMENTATION ON THE SUBJECT, TO THE DIRECTOR GENERAL OF GATT SO THAT THESE COULD BE BROUGHT TO THE ATTENTION OF THE COUNTRIES PARTICIPATING IN THE MULTILATERAL TRADE NEGOTIATIONS.

UNQUOTE

COMMENT: US DEL BELIEVES THAT TEXT UNACCEPTABLE IN PRESENT
FORM. NOT YET CLEAR WHETHER LDCS WISH SERIOUSLY NEGOTIATE
ON DRAFT TEXT WHICH THEY RECOGNIZE WOULD HAVE TO BE SUB-
STANTIALLY WATERED DOWN TO BE ACCEPTABLE.

BASSIN

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 13 AUG 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973GENEVA04311
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: GENEVA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730842/aaaaberc.tel
Line Count: 178
Locator: TEXT ON-LINE
Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: GENEVA 4278
Review Action: RELEASED, APPROVED
Review Authority: kellerpr
Review Comment: n/a
Review Content Flags:
Review Date: 31 AUG 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <31-Aug-2001 by reddocgw>; APPROVED <01-Feb-2002 by kellerpr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: UNCTAD: COMMITTEE ON MANUFACTURES, SIXTH SESSION
TAGS: ETRD, UNCTAD
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005